



6/28/2012

Ways and Means Committee Office
1102 Longworth House Office Building
Washington D.C. 20515

Dear Committee Members,

I would like to express my support for the extension of the Production Tax Credit (PTC) to sustain the development of wind energy. As you are aware the PTC and the Investment Tax Credit (ITC) and grant expire at the end of 2012. In the recent past, the PTC has been given year-to-year extensions that are usually enacted retroactively a few months after the tax credit has expired, leading to uncertainty and instability throughout the wind energy industry. We urge you to move away from this model of year-to-year extensions and to support a longer term (4+ year) extension of the PTC to provide a stable, long-term market for wind energy that will increase jobs, reduce energy costs, and foster homegrown American energy.

Consistently, six to eight months before the PTC threatens to expire, the wind energy industry, one of the fastest growing industries in the United States, comes screeching to a halt. Future development is put on hold, construction jobs are lost, and the manufacturing sector lays-off employees to avoid the inevitable slump at the end of the year. Recently, we have even heard of a major wind turbine manufacturer turning down over \$1 billion in turbine 2012 sales because they needed additional facilities to keep up with the demand, but investors were unwilling to finance new facilities due to uncertainty of the PTC. This boom-bust cycle has the unintended consequence of decreasing manufacturing economies of scale and increasing costs.

In the event that the PTC is not extended, the wind industry will essentially disappear overnight. Tens of thousands of research and development, construction, development, and manufacturing jobs would be lost. In our own development group, the PTC is an essential factor in project economics. Without an extension of the PTC all of our projects will be put on hold indefinitely and all future development work will be dramatically scaled back. These projects take 3-5 years, or more, to develop, which is why short-term extensions of the PTC do not help the industry achieve the kind of cost reductions that are needed to help it rely less on the PTC. Catch 22.

The PTC should be seen as an important investment in our country's future. Wind power is a clean, emission-free source of generation and an American alternative to add to the energy mix. We cannot continue to overlook the ever-daunting threat of climate change and the constant supply of American dollars to countries that do not have American interests in mind. These issues are not going away. Why pass the issue to future generations when the problems will only become more and more difficult to address?



Given the economic and political benefits of supporting wind energy, I strongly urge this committee to take up a multi-year extension of the wind energy production tax credit.

Thank you for your time,

Todd Presson, Chief Operating Officer

Patriot Renewables, LLC
549 South St.
Quincy, MA 02169